



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2015 Biennium

Bill #	HB0584	Title:	Revise highway right-of-way laws related to easement purchases
Primary Sponsor:	O'Neil, Jerry	Status:	As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input type="checkbox"/> Needs to be included in HB 2 | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2014 Difference</u>	<u>FY 2015 Difference</u>	<u>FY 2016 Difference</u>	<u>FY 2017 Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact: HB 584 bill would allow land owners adjacent to Montana Department of Transportation (MDT) right of way the opportunity to lease an easement on MDT highway right of way and require MDT to enter into good faith negotiations for easement requests. The department does not expect any additional revenue or expenditures as a result of this legislation.

FISCAL ANALYSIS

Assumptions:

Department of Transportation (DOT)

1. The bill doesn't limit the use of the easement, but does include caveats that the lease would have a max term of 5-years and does not leave the department with any costs during or at the end of the lease.
2. The price of the lease would be fair market value.
3. Anything constructed would have to meet MDT/FHWA requirements, and could not expose the department to any new or additional liability.
4. HB 584 is not anticipated to result in additional leases versus current law.

Technical Notes:

1. The provision that limits the construction to include things that “will not expose the department to any liability to which it would otherwise not be exposed.” is vague and would benefit from further clarification.
2. The bill refers to an “adjacent landowner”. It is unclear if it is the intent of the bill to limit leases to only adjacent landowners.

Sponsor’s Initials

Date

Budget Director’s Initials

Date